

IN THE UNITED STATES BANKRUPTCY COURT
IN THE SOUTHERN DISTRICT OF TEXAS
HOUSTON DIVISION

In Re:)	Chapter 11
)	
CORE SCIENTIFIC, INC, <i>et al.</i> ,)	Case No. 22-90341 (CML)
)	
DEBTORS. ¹)	(Jointly Administered)
)	

**NORTH MILL EQUIPMENT FINANCE LLC'S LIMITED OBJECTION TO
PROPOSED CURE AMOUNTS CONCERNING NOTICE OF CURE AMOUNTS
RELATED TO REINSTATEMENT OF OTHER SECURED CLAIMS IN CLASS 4 IN
CONNECTION WITH CONFIRMATION OF PLAN [DOC. NO. 1512]**

NOW COMES North Mill Equipment Finance LLC (hereinafter "North Mill"), and files this its Limited Objection to (the "Cure Notice") [Doc. No. 1512] filed on December 5, 2023, which identifies Debtors' proposed cure amount of #307,977.00 for North Mill as listed on Schedule 1 to the Cure Notice, and respectfully states as follows:

**II.
LIMITED OBJECTION**

1. North Mill is a Class 4 secured creditor in the Third Amended Joint Chapter 11 Plan of Core Scientific, Inc. and Its Affiliated Debtors [Doc. # 1438] (the "Plan"). Per the proposed Plan, North Mill's Allowed Other Secured Claim is to be reinstated in accordance with section 4.4 of the Plan and section 1124(2) of the Bankruptcy Code. North Mill previously filed two proofs of claim on March 28, 2023, which were assigned claim # 22-1 (claim amount

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are as follows: Core Scientific Mining LLC (6971); Core Scientific, Inc. (3837); Core Scientific Acquired Mining LLC (N/A); Core Scientific Operating Company (5526); Radar Relay, Inc. (0496); Core Scientific Specialty Mining (Oklahoma) LLC (4327); American Property Acquisition, LLC (0825); Starboard Capital LLC (6677); RADAR LLC (5106); American Property Acquisitions I, LLC (9717); and American Property Acquisitions, VII, LLC (3198). The Debtors' corporate headquarters and service address is 210 Barton Springs Road, Suite 300, Austin, Texas 78704.

\$452,571.84 associated with Equipment Schedule # 3) and claim # 23-1 (claim amount \$312,120.26 associated with Equipment Schedule # 5).²

2. During the course of Debtors' bankruptcy case, Debtors have not made any post-petition or adequate protection payments to North Mill. As a result, Debtor is required to cure such arrearages to reinstatement North Mill's claims according to the Plan. Debtors' Cure Notice filed on December 5, 2023, identifies North Mill as a Class 4 "Other Secured Claim" to be reinstated and lists a single proposed cure amount of \$307,977 in Schedule 1 with respect to North Mill's cure amount for reinstatement. Objections to the cure amounts specified in Schedule 1 are due within fourteen (14) days after the filing and service of the Cure Notice. Accordingly, this Limited Objection is timely filed.

3. Debtors' proposed cure amount for North Mill as specified in the Cure Notice does not contain any additional detail with respect to how the proposed cure amount is to be applied or bifurcated between North Mill's contracts associated with claim # 22-1 or claim # 23-1.³ North Mill requests that any amended Cure Notice identify each of North Mill's two equipment lease schedules to prevent confusion.

4. Further, the proposed cure amount for North Mill in Schedule 1 of the Cure Notice does not include the reasonable and necessary attorneys' fees incurred by North Mill during the course of the bankruptcy and presumes the cure payment will occur in January of 2024. Aside from the omission of attorneys' fees incurred that are recoverable under North Mill's underlying contracts, North Mill agrees that the cure amount is otherwise accurate as to both Equipment Schedule No. 3 (claim # 22-1) and Equipment Schedule No. 5 (claim # 23-1) as

² North Mill requests the Court take judicial notice of North Mill's proofs of claim on file, claim numbers 22-1 and 23-1.

³ North Mill incorporates by reference the facts and attached affidavit and exhibits to North Mill's Motion for Relief From Automatic Stay Regarding Equipment, Or Alternatively, Motion for Adequate Protection [Doc. # 780] filed on April 12, 2023, as if fully set forth herein.

of January, 2024. However, Debtor's hearing on confirmation of the Plan has recently been reset from its December 22nd hearing date and continued to January 10, 2024, at 1:00 p.m. Should additional continuances be necessary, there is a potential that the date on which the cure payment is made after January of 2024, after which time additional monthly payments will be due and arrearages will have accrued beyond those specified in the proposed cure amount in the Cure Notice. Accordingly, North Mill reserves its right to amend or supplement the cure amount from time to time and at any time, and requests Debtor remain liable for, among other things, attorneys' fees and additional amounts that become due as a result of the passage of time under the contracts associated with North Mill's claim # 22-1 and 23-1.

WHEREFORE, ABOVE PREMISES CONSIDERED, North Mill respectfully requests that the Court sustain North Mill's limited objection, enter an order requiring Debtors to cure the full measure of North Mill's arrearages at the time of reinstatement of North Mill's contracts related to claim # 22-1 and claim # 23-1, and further grant to North Mill any other and further relief to which it may show itself justly entitled.

Respectfully submitted,

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/s/ Christopher V. Arisco

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CERTIFICATE OF SERVICE

I certify that on Tuesday, December 19, 2023, a true and correct copy of the foregoing document was served by electronic mail via the Court's ECF system to all parties authorized to receive electronic notices.

/s/ Christopher V. Arisco
Christopher V. Arisco